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STUDY REVEALS EVOLVING INVESTOR EXPECTATIONS OF BROKERS



E*TRADE®

**76% RECOMMEND
GETTING A COPILOT**

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TO HELP MANAGE YOUR INVESTMENTS

Investors seek greater control backed by on-demand assistance

NEW YORK, May 22, 2014 – E*TRADE Financial Corporation (NASDAQ: ETFC) today announced results from the most recent wave of *StreetWise*, E*TRADE's quarterly tracking study of experienced self-directed investors.

Seven out of ten (70 percent) believe investing requires more knowledge than they originally anticipated — “finding the right investments” is noted as the single biggest hurdle to becoming a good investor.

To help overcome these challenges, an overwhelming majority (76 percent) advise working with a copilot. They also offered insights into what they expect from a copilot:

- When asked which character better represents the type of relationship they want with their broker, 76 percent are looking for one more like R2-D2 — with a diverse skillset who comes to your aid when needed, offering a variety of helpful tools, compared to 24 percent who are looking more for a C-3PO, who offers a focused set of skills and unsolicited advice.

(more)

- When asked to rank the usefulness of specific tools and resources, investors find online investments screeners (45 percent), news (42 percent), charts and market data (40 percent), personal experience with a company (36 percent), and talking with an investment professional (34 percent) as the top five most useful, in order.

“A copilot means that the investor defines the relationship,” said Dave Herbert, SVP, Retail Brokerage Services at E*TRADE Securities. “Investors expect to have control and oversight, but at the same time they want someone by their side when they need help — from customized, specific advice delivered in-person, to digital and mobile resources available 24/7. The traditional relationship was much more one-sided: your broker was the pilot and you were a passenger. Today the traditional model is outdated and insufficient.”

As personal finance technology evolves, there are more resources for investors looking to take control of their financial futures. Herbert offered several tips to help investors find the right copilot for their investing style:

- **Make a wish list.** Consider the financial services companies you’ve worked with in the past. What did you like or dislike? Then put together a list of what you’re looking for in the ideal experience.
- **Determine your desired level of involvement.** Do you want to monitor your account every day, every week, every month? Do you want to do so online or would you rather meet with someone in-person? Make sure that the brokerage you work with can provide the level of oversight and interaction you want.
- **Do your homework on fees relative to services.** Consider what’s worth paying for and what’s not. Identify what additional resources — such as screeners, trading tools, third-party research or educational content — come at no cost after opening an account.
- **Determine your educational style.** Think about how you best learn — are you the type who likes to study text? Do you absorb material better in more interactive formats like tutorials? It is important for you to have a mentor walk you through concepts? Look for a brokerage that provides the educational experience that works best for you.

E*TRADE is a partner in helping investors balance today’s needs with tomorrow’s goals, through access to curated content and insights with actionable tools — complemented by professional guidance — online and from seasoned financial consultants. To learn more about E*TRADE’s trading platforms and tools, visit etrade.com.

For useful insight from E*TRADE and third-party investment experts, follow the Company on Twitter, [@ETRADE](https://twitter.com/ETRADE).

About E*TRADE Financial

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About the Survey

This wave of survey was conducted from March 28 to April 1 of 2014 among an online U.S. sample 900 self-directed active investors who manage at least \$10,000 in an online brokerage account. The survey has a margin of error of ± 3.3 percent at the 95 percent confidence level. It was fielded and administered by ResearchNow. The panel is 61 percent male and 39 percent female with an even distribution across online brokerages, geographic regions and age bands.

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